



FY 2015 Annual Report

July 2014– June 2015

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Message From the CMRS Board Chairman

Going Forward..... Education is the Key



Message from Chairman Edmondson.:

It is hard to believe that another year has passed! On behalf of the members of CMRS Board please accept our sincere appreciation to all of the elected and governmental officials at the State and Local level that are taking the time to understand the mission of the CMRS Board to advance and coordinate 9-1-1 in the Commonwealth. We would also voice our appreciation to all of the dedicated Telecommunicators in Kentucky.

Along those same lines we would take this opportunity to express our gratitude to several retiring Board Members and thank them for their years of service; Steve Tracy (KENA/APCO Rep), Chuck Willis (Tier III provider Rep), Forrest Skaggs (KY Telephone Association Rep) and Mayor Dan Kemp (City Rep.) We welcome new members Debbie Fox, Tyler Campbell, Buford Hurley and Scott McCloud to the Board and look forward to working together to advance the capabilities of 9-1-1 across the Commonwealth.

As we move into another year we recognize the responsibility we have to educate our elected officials, government administrators and the public relative to the complexity and importance of effective and efficient 9-1-1 operations in the Commonwealth.

Going forward, the biggest challenge to the CMRS Board is solving the issues inherent in the delivery of Next Generation 9-1-1 technology to the entire Commonwealth of Kentucky.

We must start with defining this issue for all of the governmental layers involved so that they understand what NG9-1-1 actually means. In the simplest of terms NG911 is the transition of traditional telephone technology over to Internet Protocol (IP) telephone technology requiring the complete replacement of the traditional telephone circuits to a dependable broadband network. Once we have made that transition a multitude of applications become possible such as texting to 9-1-1, streaming video and a plethora of future applications (possibly free or at minimal costs to the user) that could provide any information a caller would like a PSAP to receive with their 9-1-1 call.

While the vast majority of funds handled by the CMRS Board are distributed in a formula designated by Kentucky Revised Statute we will continue to use the limited discretionary resources we have available in the Grant Fund to assist the migration to NG911 to the best of our ability.

Yours in Public Service,
Dale W. Edmondson
Chairman, Kentucky CMRS Board

Message From the Executive Director

Matthew G. Bevins
Governor



Joe Barrows
Executive Director

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Office of the 911 Coordinator/
CMRS Board
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Message from the Executive Director:

On behalf of the Board and staff, I am pleased to present the FY 2015 Annual Report of the Commercial Mobile Radio Service Emergency Telecommunications Board (CMRS Board).

The number one issue facing 9-1-1 services in Kentucky remains the need to modernize the system and finding the resources to accomplish that goal. If one was looking for dramatic progress toward that imperative, fiscal year 2015 might be described as 'treading water' but, that connotes 'no progress' when in fact there is ample evidence that progress continues to be made.

Consider these factors:

The modernization of 9-1-1 is a national issue. It is the number one 9-1-1 issue in every state in 2015. Neighboring states Tennessee and Indiana established Next Generation 9-1-1 capable statewide ESI networks.

The FCC continues to ramp up its voice and advocacy for 9-1-1.

The FCC Chairman testified to Congress that the federal government should assist states financially to acquire NG 911 infrastructure.

The FCC is directly promoting the adoption of 'Text to 9-1-1' capacity. The FCC established the Task Force on Optimal PSAP Architecture (TFOPA) with three working groups on cyber security, PSAP practices and 9-1-1 funding to provide specific advice on steps to adopting NG 9-1-1.

The state initiated 'Kentucky Wired' project establishes a statewide fiber network which our NG 9-1-1 Network can use.

CMRS grants continue to prepare PSAPs for NG by providing NG enabled equipment and supporting regional IP networks.

The staff has received more and more request for information about 9-1-1 funding and grants from legislators and local governments.



Continued.....

Message From the Executive Director

All these factors mean there will continue to be more and more publicity, news stories and activities at all levels on the modernization issue. So the challenge is to keep the momentum going and focused on the ultimate goal.

The one reality that we face is there will be a new Governor in 2016 and we will need to start educating his administration and advocating for a modern 9-1-1 system as a priority among the many challenges facing our state.

I'm confident that the CMRS Board and staff are up to that challenge.

We've been fortunate to have had selfless contributions from Board members in the past year and longer who will be leaving the Board. I want to thank them personally for the assistance given me and on behalf of the public, thank them for their service to the Commonwealth and wish them the best of luck.

Respectfully,

Joe Barrows

Joe Barrows
Executive Director
CMRS Board



CMRS BOARD MEMBERS



Dale Edmondson



Joe Barrows



Charles Willis



Major John Bradley



Forest Skaggs



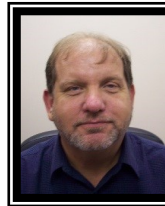
Shelby Horn



Dan Kemp



Steve Tracy



Mike Phillips



Jerome McNear

Dale Edmondson is the 911 Director for Campbell County Consolidated Dispatch. He serves as a representative of Directors of a certified public safety answering point operated by a local government entity or a consolidated group of local government entities. His term will expire on August 15, 2019.

Joe Barrows is the Administrator of the Kentucky CMRS Board and the State 911 Coordinator. He serves by virtue of the position.

Charles Willis is the Vice President of Telecom Services with Bluegrass Cellular. He serves as a representative of Tier III CMRS Providers. **His term will expire on August 15, 2015.**

Major John Bradley serves as the Kentucky State Police Commissioner's Designee. He serves by virtue of the position.

Forest Skaggs is the Executive Director of the Kentucky Telecom Association and serves as a representative of local exchange landline telephone companies. His term expires on August 15, 2018.*

Shelby Horn is the former 911 Director for Jessamine County E911. She serves as a representative of the Kentucky Emergency Number Association and

the Association of Public Safety Communication Officials. Shelby's term will expire on August 15, 2017.

Steve Tracy is the E911 Coordinator for the City of Versailles. He serves as a representative of the Kentucky Emergency Number Association and the Association of Public Safety Communications Officials. **His term expires August 15, 2015.**

Mike Phillips is the Director of Emergency Services for Bullitt County. He serves as a representative of the Kentucky Firefighters Association, the State Association of Chiefs of Police, and the Kentucky Ambulance Providers Association. His term expires August 15, 2019.

Dan Kemp is the mayor of Hopkinsville, serving to represent mayors of a city of the first or second class or urban-county government. His term expires August 15, 2016.*

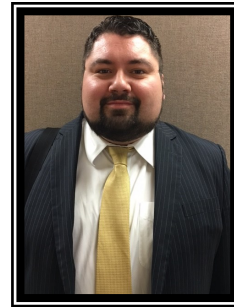
Jerome McNear of AT&T represents CMRS Providers. His term will expire August 15, 2018.

CMRS BOARD MEMBERS

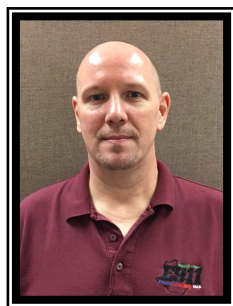
The previous page reflects the membership of the CMRS Board during FY 2015, the time period for this report. The terms of several members expired in August of 2015. This page reflects new appointments to the Board made after August but before the publication of the 2015 Annual Report.



Debbie Fox is the Director of Emergency Services for MetroSafe in Louisville. Debbie serves as the proxy for Mayor Greg Fischer who represents Kentucky's mayors. Mayor Fischer will serve the remainder of Mayor Kemp's appointment.



Tyler Campbell is the Executive Director for the Kentucky Telecom Association. Tyler serves as a representative of local exchange land-line telephone companies. Tyler will serve the remainder of Forest Skaggs' appointment.



Buford Hurley is the 911 Director for Greenup County E911 and serves as a representative of the Kentucky Emergency Number Association and the Association of Public Safety Communications Officials. Buford replaces Steve Tracy. His term will expire on August 15, 2019.



Scott McCloud is the Senior Vice President and Chief Technical Officer for Bluegrass Cellular. Scott serves as a representative of Tier III CMRS Providers. Scott replaces Charles Willis. His term will expire on August 15, 2019.

CMRS BOARD STAFF



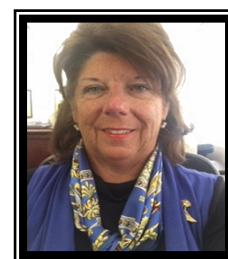
Joe Barrows
Executive Director



Tandy Hubbard, ENP
Deputy Administrator



Krista Harrod
Policy Advisor



Sallie C Bolton
Executive Secretary

Joe Barrows was appointed by Governor Beshear as the State 911 Coordinator and hired by the CMRS Board as its Executive Director in July 2009, but his familiarity with CMRS goes back more than 15 years. Joe, an attorney from Versailles, served 27 years in the General Assembly as the State Representative from Woodford County. He served 10 years as the majority Whip. In 1998 he sponsored HB 673 which created the CMRS Board and HB 656 which updated the original legislation and created the CMRS Grant Fund. KENA/APCO recognized Joe for a career of legislative contributions to the 911 community.

Tandy Hubbard joined the Office of the 911 Coordinator/CMRS Board in May 2005 after serving as an intern during the summer of 2004. Tandy Graduated Magna Cum Laude from the University of Kentucky in August 2005 with a Bachelor of Arts Degree in Integrated Strategic Communications with an emphasis in Geography. Tandy oversees the CMRS Grant Program, serves as a liaison between the PSAPs and the Board, assists PSAPs in their efforts to certify and maintain CMRS PSAP Certification and takes care of the quarterly PSAP payment disbursements. She is also involved in the Next Generation 911 projects the Board has embarked upon and the Carrier Cost Recovery program. In October 2014, Tandy earned the Emergency Number Professional (ENP) designation from the National Emergency Number Association.

Krista Harrod joined the team in June 2010 as a summer intern and is now a Policy Advisor full-time with the CMRS Board. Krista has a Bachelor's Degree in Accounting as well as an Associates Degree in Culinary Arts. Krista oversees the financial and contractual responsibilities of the Board, is in charge of Carrier EFT payments remitted to the Board and is a grant manager for the CMRS Board's PSAP Grant program.

Sallie Bolton joined the Office of the 911 Coordinator/CMRS Board in September of 2015, after working 15 years for the Legislative Research Commission. Sallie holds a Bachelor's Degree in Communications from the University of Kentucky with an emphasis in journalism and marketing. She is a retired Army Major, having spent more than 25 years in the military. During her military career, Sallie served as a logistics officer for the 1/302nd Armor Cavalry Brigade and later served as the Division Public Affairs Officer for the 100th Division. Sallie manages the day to day operations of the CMRS Board and the Board's Committees.

Report on 911 Revenue and Expenditures

Senate Bill 119 was passed during the 2011 Regular Session of the Kentucky General Assembly. It directs the CMRS Board to gather and report data and information regarding 911 funding and costs in Kentucky by August 1, 2011 and annually thereafter. Senate Bill 119 is now KRS 65.7630.

KRS 65.7630 allows the Board to determine the information it needs to evaluate 911 funding and costs. The Board collects information from local governments annually using a PSAP Survey and PSAP Revenue/Expenditure Report. Wireless carriers provide information with their monthly remittance reports and quarterly subscriber count report. Periodic ad hoc surveys are also utilized.

Information gathered pursuant to this statute provides the basis for a historical analysis of 911 funding with an eye on funding options for the future.

Revenues

Funding for 911 comes from three primary sources: locally enacted 911 fees most commonly collected on bills for 'landline' phone service; the state imposed 911 fee on cell phone service (CMRS fund); and other local general funds appropriated by cities and counties.

Some local governments, in response to the demise of landline phones and the consequent loss of local landline revenues, have enacted local ordinances to test the bounds of the local 911 revenue raising authority provided in KRS 65.760.

- Garrard and Lincoln Counties (which operate a unified PSAP) have enacted a local 911 fee of 25¢ per month which is collected on the local water utility bill. This is in addition to the local landline fee.
- Kenton County repealed its landline fee and assessed a local 911 fee of \$60 per year per real estate parcel, collected in conjunction with the property tax payments.
- Campbell County also repealed its landline fee and enacted a local 911 fee of \$45 per year per occupied residence or business collected in conjunction with the property tax payments.

Each of these initiatives were challenged in court. In October 2015, the Kentucky Supreme Court issued an opinion upholding the Campbell County ordinance (Kentucky Supreme Court Case # 2014-SC-0383). Decisions in the other two cases are still pending. If the courts rule favorably on these 911 fee collection options, local governments will no doubt look at these (and other options) to replace lost landline revenues and shore up local 911 budgets BUT while these options could help address 911 funding at the local level it does not provide a solution to the issue of raising state level resources to pay for the technology to modernize the system (Next Generation 911).

Report on 911 Revenue and Expenditures –Continued

The one page PSAP Revenue/Expenditure Report that follows on Page 15 is the best effort to date to provide a statewide “financial statement” on 911 services.

The information was acquired using a single, consistent reporting form for FY2015.

All PSAPs* returned the form. Most were complete in detail, though there are still reporting inconsistencies and, no doubt, inaccuracies.

Some broad generalizations about 911 funding can be summarized including:

- Of the three primary funding sources the contributors, in order of largest to least, continue to be local government general funds (\$40 million), local government 911 funds (\$27 million), and state 911 wireless fees (\$18.4 million).
- Expenditures exceed revenues – the difference is “covered” by fund balances carried forward from the previous fiscal year.
- While the “beginning fund balance” of \$30.9 million appears large, it is primarily generated from the PSAPs serving larger metropolitan jurisdictions with larger budgets where “carry forward” amounts would be more typical of budgeting practices and operational necessity.

For example, just 17 PSAPs account for \$26 million of the \$30.9 million balance carry forward. The budget of eight PSAPs; Boone, Bowling Green, Campbell, Franklin, Hopkinsville, Kenton, Lexington-Fayette, and Louisville Metro account for \$21 million of the statewide carry forward.

On the other end of the spectrum, forty-five (45) PSAPs, almost half of our local government 911 centers, had beginning balances of less than \$50,000. Of that total, twenty-six (26) PSAPs reported a beginning balance of “0”!

What’s still missing is detailed information from KSP and their posts which would show what additional costs there are to providing 911 service in the state and what amount of state funds (non-CMRS funds) support there is for those expenses. We also do not know how much a local government which operates a secondary PSAP (one that may answer wireline calls only or dispatch responders from 911) are expending in support of 911.

*KSP posts are not included—financial information from KSP is being acquired separately.

Report on 911 Revenue and Expenditures

Funding Sources for Certified PSAPs Operated by Local Government

Source	Amount	% of Total
Local Dedicated Fees (Landline Primarily)	\$ 27,248,366	30%
Local General Funds	\$ 40,463,934	48%
CMRS Funds (Including Grants)	\$ 19,139,819	21%
Other grants, interest, misc.	\$ 3,515,995	1%
Total	\$ 90,368,114	100%

Prepaid “Issue” – Shortchanging the System

The state 911 fee is 70¢ per month per cell phone (CMRS connection). Providers collect the 70¢ each month on the bill they send to their customers (subscribers) and remit those funds to the Board. However, subscribers of “prepaid” cell phone service (phone cards) are not billed by the provider and so the 911 fee is collected as provided in KRS 65.7635(1)(a)(b)(c).

That statute provides three options by which “prepaid” providers may calculate or collect the 911 fee due. “Option A,” which allows a provider to “decrement” (take away) 70¢ worth of minutes from a subscriber’s account is used by one provider. “Option B” requires the provider to calculate and remit the 911 fee based on a revenue formula (i.e. monthly prepaid revenue divided by \$50 multiplied by 70¢ equals remittance due). Twelve providers report that they use this option.

The third statutory option is to utilize a method devised by the Board and put into regulation. The Board is not obligated to devise any other method and never has, so this option is “not available.”

Interestingly, a de facto fourth option exists. At least six providers of prepaid service simply remit an amount calculated each month by multiplying its subscriber count by the 70¢ fee. These tend to be smaller companies and account for less than 5% of the revenue from prepaid.

The Rule: Each cell phone in the state regardless of whether it is “loaded” with prepaid, postpaid, or free minutes should contribute to the support of 911 by paying the state 911 fee into the CMRS fund AND each should generate the same amount of revenue.

Report on 911 Revenue and Expenditures

Prepaid “Issue” – Shortchanging the System (Cont.)

The Issue: The Option B revenue formula which is used by the major providers of prepaid service does not generate anywhere near the same amount of revenue that would be generated if the 70¢ fee were collected on each active prepaid phone each month. In fact, prepaid phones contribute on average less than 35¢ per month.

The Reason: The revenue formula contained in the statute is at fault. That formula uses a fifty dollar (\$50) ARPU (average revenue per user) as a part of the calculation to arrive at a rough estimate of how many prepaid subscribers there are before applying the 70¢ fee. In reality the ARPU for users of prepaid service is much lower, around twenty dollars (\$20) a month. As a result, the estimate of prepaid subscribers is grossly underestimated and the resulting calculation grossly undercollects the 911 fee from prepaids.

The Result: The Option B formula shortchanges the CMRS fund (and has since its adoption in 2006) several million dollars each year. The CMRS Board receives roughly 40% of what should be collected from prepaid phones. The charts below show two quick calculations which demonstrate the undercollection based on FY 2015 data.

Chart I: 911 Funding—Prepaid Disparity—Simple Equation

Total subscriber count (June 2015)	3,409,839
Times 70¢ per subscriber =	<u>x 70¢</u>
Monthly Revenues	\$2,386,887
Times 12 months (annualized)	<u>x 12</u>
Estimated Revenue for FY 2015 based on all subscribers paying 70¢	\$28,642,647
Actual Revenue Collected for FY 2015	<u>- (\$26,520,946)</u>
Difference attributable to prepaid disparity	\$2,121,701

Chart II: 911 Funding—Prepaid Disparity—“Compare Option” B vs 70¢ per month

Option B Remittance total:

“Option B” formula – Total KY prepaid revenue divided by \$50 multiplied by 70¢ =
Prepaid remittance due.

Prepaid Revenue = Prepaid subscribers multiplied by average
revenue per subscriber (750,164 multiply by \$20) equals \$ 15,003,280

Apply “Option B” formula (divide by 50, multiply by 70¢) equals
monthly 911 fee due from providers \$ 210,045

Annual prepaid remittance (multiply 12 months)
under “Option B” \$ 2,520,540

70¢ per month

Prepaid subscribers multiplied \$ 750,164
by 70¢ equals monthly
remittance due \$ 525,114
Multiplied by 12 months equal
annual remittance due \$ 6,301,368

Prepaid Disparity – Annual Lost Revenue

70¢ per phone per month generates \$ 6,301,368
Option B generates \$ 2,520,540

Annual Lost Revenue \$ 3,780,837



Report on 911 Revenue and Expenditures

Prepaid “Issue” – Shortchanging the System (Cont.)

The Question: Is there a simple option available that would correct the disparity in support between prepaid and postpaid phones?

Other Legislative Options: *Point of Sale Legislation*

The wireless industry promotes a method for the collection of 9-1-1 fees on prepaid services known as “Retail Point of Sale” (POS). This method has the retail seller of prepaid service collect the 9-1-1 fee by adding it to the cost of the minutes purchased. The retailer then remits the amounts collected monthly to the Department of Revenue ala the sales tax.

Some thirty seven states have adopted POS legislation and it has been introduced in the General Assembly each of the last four sessions. The 9-1-1 fee is set at either a flat fee per sale or a percentage of the sales price.

While the industry often touts POS as a solution to the collection of 9-1-1 fees on prepaid service, it is simply a collection methodology. In fact in every state that has adopted POS the same “shortchanging” of the system is occurring as described in previous paragraphs about Kentucky’s collection methodology. That is, no state has adopted a POS rate that results in prepaid services generating the same revenue that postpaid services generate on a per device basis—the disparity between prepaid and postpaid has been locked in nationally. Research suggests that prepaid is shortchanging 9-1-1 nationally by an estimated \$250 million annually.

Note on Subscriber Counts: Any analysis on 9-1-1 revenue collection in the current fee system must have accurate subscriber counts (i.e. How many active customer phones exist each month?)

Kentucky has benefited from the fact that we have been receiving subscriber counts by zip code from providers for nearly 15 years. (That information is used in the distribution of CMRS funds to certified PSAPs). However that information is received on a quarterly basis and does not differentiate between, for example, prepaid and postpaid subscriber counts.

Subscriber count information is also requested as part of the monthly remittance process. It is candidly not accurate in many cases, particularly when a tax service company is filing the remittance report.

“Subscriber Count” is also not defined so as to receive consistent, comparable reports. If one looks at Kentucky subscriber counts reported by carriers to the FCC, they will differ significantly from the subscriber counts received in reports to the CMRS office.

Providers will ‘discount’ their subscriber counts by not reporting LifeLine subscribers, inactive phones or those with low minute account balances.

The effect is to lower expectation or targets for the amount of revenue a state should aim at receiving from prepaid or to make the ‘shortchanging’ appear less in states that have adopted POS if they were to evaluate their prepaid collections.

The subscriber count numbers used to estimate the ‘shortchanging’ in Kentucky or to suggest the appropriate revenue target in order to achieve parity between prepaid and postpaid devices have been evaluated using at least three sources.

Report on 911 Revenue and Expenditures

Prepaid “Issue” – Shortchanging the System (Cont.)

“I do not believe the CMRS Board has completely accurate information but I believe we have better information on subscriber counts than almost any other state. The information is good enough to support the conclusion that prepaid services are not paying their share,” Joe Barrows

The important point is that in any changes to the collection of 9-1-1 fees in Kentucky, there must be a requirement that subscriber counts be reported accurately and that subscriber count is defined as any wireless device (prepaid or postpaid) with an account balance of more than zero minutes on any day of the month, including Lifeline phones.

The Answer: The disparity can be easily eliminated by amending the existing “options” statute by simply eliminating Option A and by changing the “\$50” to “\$20” in Option B as was proposed in HB 391 in the 2014 regular session of the General Assembly and by adding an end of the Fiscal year ‘reconciliation’ process that would allow the Board to collect any underpayment of fees or to reimburse providers for any over collections.

Expenditures

The expenditures reflect the roll up from the reporting document and may be the most accurate information to date on the costs of 911 service. However, it does not include state expenditures by the sixteen KSP posts which will significantly alter the total expenditures. Also, because 911 services are imbedded in other functions of local government, many costs would not be split out and reported (e.g. facility costs). The two largest expenditures predictably are in personnel and in the specialized 911 equipment-related costs.

Total PSAP Expenditures by Category

Personnel Costs	\$67,653,707
Facility Costs	\$9,833,900
Training and Membership	\$348,498
911 Equipment/Software	\$12,627,745
Professional Service	<u>\$ 933,802</u>
Total*	\$91,397,652

*excluding KSP

CMRS Grant Report

CMRS Grant Committee Report

Grant Committee Chairman: Major John Bradley

Committee Members: Shelby Horn, Steve Tracy, Don Kiely, Kevin Woosley, Dale Edmondson

Staff: Tandy Hubbard and Krista Harrod

Fiscal Year 2015 saw the implementation of another round of CMRS Grant Awards that were announced at the Kentucky Emergency Services Conference in September 2014 and totaled \$4.884 million dollars.

With both the CMRS Grant Committee and CMRS Board focused on the ultimate goal of providing Next Generation 9-1-1 capabilities to all citizens in the Commonwealth, all awards this cycle were once again geared towards interim solutions that assist in making the most of our grant dollars and technologies while we await the formal rollout of a seamless NG9-1-1 network in Kentucky.

“Category #1” CMRS Grant awards for Board approved Host/Remote controller solutions continued in 2014. This solution promotes more reliable disaster recovery capabilities in the PSAP and has the potential to lower the PSAP’s recurring equipment cost since the main pieces of technology used are housed remotely, maintained by the Host provider and shared. A common term for this type of solution is “virtual consolidation” whereby the PSAP still maintains their physical autonomy but consolidates their backroom equipment with PSAPs that share the same solution.

Other awards in 2014 included CAD upgrades, logging recorders, PSAP specific furniture and uninterruptable power supplies.

Also in Fiscal Year 2015, the Kentucky State Police was awarded a PSAP Consolidation Grant totaling \$200,000 for the merger of KSP Post #1-Mayfield with the City of Mayfield, a previously standalone PSAP certified separately with the CMRS Board. Since Graves County was already under the KSP umbrella for 9-1-1 call taking and dispatch, the merger brings a consistent service and response to the citizens in both the City and County.

2015 CMRS Grant applications were due to the CMRS Board office December 1st, 2015 with an award announcement anticipated in Spring 2016. The CMRS Board received 60 applications with requests totaling \$4.78 million. The CMRS Grant Committee is committed to steering all current and future grant resources to assisting in the transition and migration to NG9-1-1.



CMRS PSAP Report

CMRS PSAP Committee Report

PSAP Committee Chairman: Steve Tracy

PSAP Committee Members: Forest Skaggs, Dale Edmondson, Shelby Horn, Malissa Carter and Dustin Abbott

Staff: Tandy Hubbard and Krista Harrod

Currently, a total of 114 separate PSAPs maintain certification with the CMRS Board of which 16 are Kentucky State Police Posts. This total number includes 4 consolidated PSAPs that were once 8 separately certified PSAPs. While the position of the CMRS Board and PSAP Committee is not to force PSAP consolidation, KRS 65.7631(2)(a)(4) encourages consolidation by offering a non-competitive \$100,000 per PSAP reimbursement incentive to be used for expenses directly related to the consolidation efforts.

PSAPs certified by the CMRS Board receive two payments each quarter. Fiscal Year 2015 quarterly PSAP disbursements totaled \$18,296,685.

The PSAP Volume payment is based on the total wireless subscribers reported in a PSAP's jurisdiction and is distributed on the 1st of the payment quarter month.

The PSAP Pro Rata payment is distributed on the 15th of the payment quarter month and is an equal payment distribution each certified PSAP receives determined by dividing the number of wireless PSAPs eligible for payment into the revenue accumulated in the Pro Rata account during the quarter. Kentucky State Police Posts no longer taking wireless calls for any counties in the Post's region receive their Pro Rata share from the CMRS Grant Fund.

PSAP payment months are February, May, August and November and payments are calculated based on remittances received in the most recently closed calendar quarter.

The PSAP Committee is also working in coordination with the Grant Committee to ensure technology deployed at the PSAP –whether it be through the Board's grant program or paid for by the PSAP in efforts to obtain or maintain CMRS Certification –is compatible with the CMRS Board's NG911 plans.



CMRS Cost Recovery Report

CMRS Cost Recovery Report

Cost Recovery Committee Chairman: *Mike Phillips*

Committee Members: *Paul Nave and Joe Barrows*

CMRS Staff: *Tandy Hubbard*

The CMRS Board's Cost Recovery Committee is charged with reviewing plans submitted by wireless Carriers doing business in the Commonwealth for the build out and compliance with the FCC order outlining wireless E911 service requirements. Carriers are eligible for reimbursement by the CMRS Board for both non-recurring and recurring expenses for "designing, upgrading, purchasing, leasing, programming, testing, installing and maintaining all necessary data, hardware and software required in order to provide wireless E911 service" in accordance with KRS 65.7631.

\$1,424,874 in approved cost recovery reimbursements were distributed amongst 5 wireless providers in Fiscal Year 2015 through the Board's Cost Recovery Program. Another \$5,252,728 was distributed in July 2015 to 6 wireless providers.

Approved Cost Recovery reimbursements totaling \$85,526,246 have been distributed to eligible wireless providers with approved cost recovery plans since the inception of the program in 2002.

As of July 2015, the CMRS Board was able to eliminate the balance of all invoices received and approved on or before June 20th, 2012, a testament to the current imbalance of the value of the Cost Recovery fund compared to the total requests for reimbursements. While the requests from wireless providers for cost recovery reimbursements are current, the Cost Recovery fund itself is not.



CMRS NG911 Initiative Report

The Board has a statutory mandate to “coordinate...the implementation of advancements and new technology “in emergency telecommunications in the state” (KRS 65.7625). The Board used this authority to adopt a State 911 Plan calling for the modernization of the state’s 911 system by deploying NG911 capacity - replacing outdated analog, voice-only technology with digital, IP-based network delivery of 911 calls.

Since the rejection of the Board’s NG911 Network RFP in late 2012, the Board’s efforts to provide NG911 have focused on building awareness of the need for such modernization among the public and state and local policymakers.

That awareness campaign has included presentations to KACO’s Annual Conference, County Judges, Magistrates and Commissioners Conference, Kentucky League of Cities Legislative Day, the annual Governor’s Local Issues Conference and legislative committee meetings.

Efforts to encourage the Governor to specifically endorse an NG911 ESI network for the state were “trumped” during the 2014 session of the General Assembly by the Governor’s proposal to have the state acquire a Next Generation Kentucky Information Highway (NG-KIH) using a fiber network. Kentucky’s NG911 network could easily be a “customer” or user of that network but it makes timing on coordination between the two an issue.

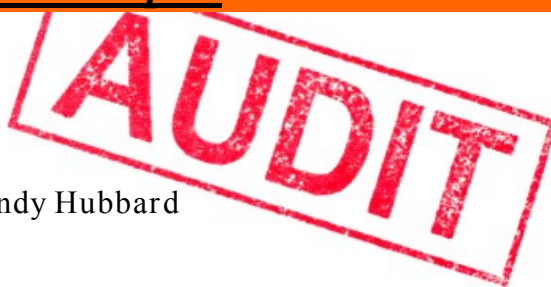
In the meantime, the Board has continued to prepare for the transition to NG911. The CMRS Grant Program has been a perfect example of these efforts and new grant monies are awarded to projects promoting NG911 solutions and transitions to NG911.

The CMRS Board’s efforts in moving to NG911 are affected by what goes on in other states – both neighboring states of Indiana and Tennessee have deployed statewide NG911 networks and are moving to “total” NG911 status.

From the Federal level comes additional pressure from the FCC to acquire NG911 capacity. Just as the FCC was instrumental in pushing states to make 911 “work” with cell phones, it is now “ordering” states and providers of wireless services to make “Text to 911” available to meet public expectations for the use of modern communication practices. Providing IP-based NG911 delivery of text using digital technology is the best method to accommodate this order.

Interoperability
Non-proprietary
NG9-1-1
ESInet
Service
Logging Video
Telematics
access-anywhere
Text RTSP Images
Dispatch-Improvement
Dispatch-Center-Impact
Legacy-NG-Recording
Chat SIP

CMRS Audit Report



CMRS Audit Report

Audit Committee Chairman: Chuck Willis

Committee Members: Joe Barrows and Tandy Hubbard

Staff: Krista Harrod

KRS 65.7629 directs the CMRS Board to retain an independent certified public accountant to audit the books of the board, CMRS providers and PSAPs to verify the accuracy of collection and disbursement of the CMRS service charge.

The Board Audit Committee works with the Auditor to establish the methodologies and selection criteria to be used by the Auditor in conducting the audits of selected PSAPs and Providers.

Upon receipt of audit reports, the Audit Committee reviews the findings for the purpose of recommending Board action to address any compliance issues.

The Board has a Personal Service Contract with the firm of Ross and Company to provide audit services. In Fiscal Year 2015, the Board spent \$49,847.22 on this contract. This Fiscal Year, four audit reports were received for the period of July 1, 2011 through June 30, 2013 on PSAPs and Carriers and the books of the CMRS Board. A special audit was completed to review cost recovery reimbursements to New Cingular for the Period July 1, 2011 through June 30, 2012. Based on a finding in the last audit cycle, the Committee requested auditing a full year of the carriers cost recovery invoices to determine if the past finding is a recurring problem.

During the September 10, 2015 CMRS Board meeting, the Board received the audit reports from our contract auditor. The committee reviewed those reports and made recommendations for action to be taken for “findings” by the auditor.

In the PSAP audit there were two findings of PSAPs unable to document the number of wireless calls they received. In both cases, at the Board’s request, a letter was sent reminding the PSAPs that KRS 65.7631(5) requires them to have the capabilities to count wireless calls.

Other PSAP audit findings included, Pennyriple Emergency Assistance Center (PEAC) used \$22,933 of CMRS funds to pay a property and liability insurance bill for Caldwell County EMS. Only 18.9% or \$4,340 of the coverage provide by this policy was 911 related. Therefore \$18,592 of the total expenditure was unrelated to 911 services.

Pennyriple Emergency Assistance Center (PEAC) paid \$8,000 to Caldwell County EMS without any documentation to support the payment. PEAC management stated that the amount had been arrived at arbitrarily and was due to PEAC often using supplies belonging to Caldwell County EMS. Without proper documentation it is impossible to determine that this expense was related to wireless 911 services. Again a letter was sent at the Board’s request asking that the Board be contacted to remedy the findings.

There were also three findings in the “carrier” audit report. During testing the auditor noted New Cingular had \$27,189 of expenses, for which cost recovery reimbursements were received, that were determined to be overcharges to CMRS. The overcharges were largely attributable to expenses related to other states being charged to CMRS.

CMRS Audit Report Continued

It was also found that Nextel Boost remits the CMRS surcharge based on revenue as prescribed by KRS 65.7635(1)(b). However the company was unable to provide revenue information from their billing system for fiscal year 2012. Therefore fiscal year 2012 remittances could not be audited based on revenue and were audited instead based on actual subscriber lines. Audit testing disclosed an underpayment of 32.5% for the sample month of June 2012. The auditor expanded testing and noted underpayments of 30.1% and 25.1% for April 2012 and May 2012 respectively.

In addition, Nextel Boost remits the CMRS surcharge based on revenue as prescribed by KRS 65.7635(1)(b). The auditor calculated the surcharge due from revenue per the billing system and compared the result to the actual remittance made to the CMRS board. Audit testing disclosed an underpayment of 10.6% for the sample month of January 2013.

The CMRS Board sent letters to each carrier with findings requesting that they contact the Board to remedy the findings.



CMRS Board vs. Virgin Mobile

We are at the tail end of a lengthy lawsuit filed by the Board in late 2008 to collect 9-1-1 fees unremitted by Virgin Mobile, a provider of “pre-paid” wireless service. The Board prevailed at the trial court and Court of Appeals on the main issue of whether providers of prepaid service were obligated to remit 9-1-1 service fees (prior to 2006 when the statute was amended). The Supreme Court reversed but left in place an award in the Board’s favor for fees unremitted past 2006 by Virgin Mobile in an effort to self-help a refund. Remanded to trial court for resolution of issues on fees’ awarded, Virgin Mobile challenged whether the Supreme Court actually ruled on their right to seek refund of amounts remitted pre 2006. Trial court rejected their argument and ordered the \$475,000 judgment to be paid; received August 2015. Virgin has appealed.

CMRS Board vs. T-Mobile

Another provider of prepaid service that seeks refund of fees remitted pre 2006; held in abeyance pending the Virgin Mobile decision, this case is reactivated. Dismissed by the Board of Tax Appeals in September on jurisdiction grounds, the case is in early litigation stages in the Franklin Circuit Court (Case No.09-CI-1436). The refund claim is \$614,000.

Telrite vs CMRS Board

Telrite participates in the Low Income Lifeline Program. Board expects 9-1-1 fees to be remitted on Lifeline phones. Telrite has ceased remitting fees on behalf of their Lifeline subscribers. Telrite filed suit in April 2015, in the Franklin Circuit Court (Case No. 15-CI-886) seeking a refund of previously remitted fees in the amount of \$376,000. The Board has counter claimed for unremitted fees. Case is currently in the Discovery stage.

AT&T at the Public Service Commission.

This is a regulatory issue on the delivery of 9-1-1 calls. AT&T filed a petition with the Public Service Commission seeking a ruling by the PSC on the issue of whether Lexington’s Central Kentucky Network should be required to register as a ‘telco’ and enter into ‘interconnection agreements with AT&T (and other providers) before they can be asked/required to deliver 9-1-1 calls to CKN. The Board intervened as a party because CMRS grant money assisted in establishing CKN and providing funds to PSAPs to connect to CKN. CKN currently delivers 9-1-1 calls to some 20 local government PSAP members with several other PSAPs waiting to join. When PSAPs, historically AT&T customers, wanted to connect with CKN the issue was raised.

CMRS AND 911 By The Numbers

Public Safety Answering Points (PSAP) Data

• 114	# of primary PSAPs certified by the CMRS Board; includes 16 Kentucky State Police Posts
• 30	# of secondary non-certified PSAPs, (e.g. universities, local dispatch only PSAPs, airports . . .)
• 23	# of counties served by the Kentucky State Police for wireless 911 call taking as of June 30th, 2014
• 479	# of total call-taking positions statewide
• 1,440	# of persons employed as call-takers statewide
• 1,235	# of call-takers trained and certified by Dept. of Criminal Justice Training
• 3,329,188	# total of 911 calls in Kentucky FY2015
• 2,700,745	# of 911 calls from wireless devices (cell phones)—73%
• 628,443	# of 911 calls from landline devices—27%
• 116	# of Kentucky counties with Enhanced 911 (98.9% of population)
• 4	# of Kentucky counties that are limited to Basic 911 (1.1% of population)
• 120	# of counties with wireless 911 service (100% of population)
• 2	# of PSAPs taking “Text to 911” calls
• 42	# of PSAPs “ready” for Next Generation 911

MONEY IN (WIRELESS)

• 48	# of Wireless Providers remitting 911 fees to the Board
• \$23,905,490	Total CMRS Board receipts in FY 2010
• \$25,306,382	Total CMRS Board receipts in FY 2014
• \$26,520,946	Total CMRS Board receipts in FY 2015
• \$22,795,241	Total of postpaid receipts in FY 2015
• \$3,588,157	Total of prepaid receipts in FY 2015

CMRS AND 911 By The Numbers (continued)

MONEY IN (WIRELINER)

- 110 # of counties with local wireline 911 fees
- 6 # of counties with “different” local 911 fee
- 6 # of counties with no local 911 fee.
- \$.32-\$.400 Local wireline fee range in Kentucky
- \$27,248,366 Total revenue statewide from local 911 fees

MONEY OUT

- \$14,981.00 Value of a PSAP Pro Rata payment in May 2006
- \$18,819.36 Value of a PSAP Pro Rata payment in May 2014
- \$19,478.57 Value of a PSAP Pro Rata payment in May 2015
- \$10,405,289 Total PSAP Volume payments in FY 2014
- \$10,361,779 Total PSAP Pro Rata payments in FY 2014
- **FY14 PSAP disbursements included proceeds from a settlement with a prepaid wireless provider of service*
- **\$ 9,187,074 Total PSAP Volume payments in FY 2015**
- **\$ 9,601,351 Total PSAP Pro Rata payments in FY 2015**
- \$199,135,841 Total paid to certified PSAPs since the inception of the CMRS PSAP payment program through FY 2015
- \$85,526,246 Total Cost Recovery Fund distributed to wireless carriers since the inception of the Cost Recovery program in 2002
- 5 # of CMRS Consolidation Grant awards
- \$4.884 Million Value of grant awards FY2015

CMRS AND 911 By The Numbers (continued)

WIRELESS DATA

- 2,539,195 Total wireless subscribers in KY June 2006
- 3,500,406 Total wireless subscribers in KY June 2014
- 3,409,839 Total wireless subscribers in KY June 2015

- 2,643,043 Total postpaid subscribers as of June 2015
- 857,363 Total prepaid subscribers as of June 2015
- 232,167 Total Lifeline subscribers as of June 2015

- 338 million Estimated total of wireless subscribers nationally
- 22 % of wireless subscribers that are prepaid
- 40 % of households now wireless only
- 55 % of wireless subscribers with “smart” phones

*as reported by providers of wireless service

Lifeline Program—Kentucky Data

- 210,000 # of Lifeline participants (wireless low income program June 2015) only
- 25 # of wireless providers (ETC's) eligible to participate in Lifeline in Kentucky
- 19 # of wireless providers granted ETC status in the last four years
- \$26.5 million Amount of federal Lifeline reimbursements to ETC companies in Kentucky—FY 2015
- \$6 million Amount of state Lifeline reimbursements to ETC companies in Kentucky—FY 2015
- \$32.5 million Total Lifeline reimbursements to ETC providers (KY) FY 2015

The Lifeline program is a federal low income program. Providers of wireless phone service wishing to participate only in the “wireless low income” portion of the Lifeline program must get permission from the Kentucky Public Service Commission. Once granted “Eligible Telecommunications Carrier” (ETC) status, companies then “give away” a cell phone to an eligible person along with “free minutes” each month. The federal government reimburses the ETC company each month at \$9.25 for each of their Lifeline subscribers. ETC companies are also eligible for reimbursements by the state each month at the rate of \$3.50 per Lifeline subscriber.

The CMRS Board considers those federal and state reimbursements as “revenue” to the providers of prepaid service which must be included in the calculation of 911 fees due monthly to the Board so that Lifeline phones also help support the 911 system (though at the lower “prepaid” rate).

*The reimbursement numbers represent payments to wireless prepaid providers who participate in the wireless low income program described above—not wireline Lifeline participants or postpaid wireless Lifeline participants.

Financial Report

The CMRS Board collected \$26.5 million in remittances from wireless Carriers doing business in the Commonwealth during Fiscal Year 2015, an increase of just over 5% of the previous year's revenues.

Wireless Carriers reported a total of 3,409,839 wireless subscribers with billing zip codes in Kentucky for the month of June 2015, in comparison, a total of 3,491,932 were reported for the same month in 2014-a decrease of 2.5%.

A variety of Personal Service Contracts were approved by the CMRS Board to carry out requirements of the Board outlined in both administrative regulations and statutes. These are:

- ♦ Goldberg and Simpson-\$77,377 was expended from the CMRS Administrative Account to support legal services provided by the law firm of Goldberg and Simpson for litigation against prepaid wireless providers not remitting the wireless E911 surcharge to the CMRS Board for their customers in the Commonwealth.
- ♦ Stantec Consulting-\$9,752 in CMRS Administrative dollars were used to re-audit CMRS certified PSAPs that did not pass their initial mandated CMRS Geo-Audit and were ready for re-audit in Fiscal Year 2013.
- ♦ RCC Consultants-\$106,144 was paid for services rendered in assisting the Board with the development of the RFPs needed to implement NG911 in Kentucky as described in the approved State 911 Plan and to advise the Board of it's efforts as it relates to NG911.
- ♦ Ross and Company-\$50,632 was expended to complete the next round of Financial Audits performed on Carriers, PSAPs and the books of the Board in accordance with KRS 65.7629(13).

CMRS Board-FY 2015 Expenditures by Fund

CMRS Admin	\$528,136
CMRS Grant	\$3,375,089
CMRS Provider	\$1,424,874
PSAP Pro Rata	\$9,209,610
PSAP Volume	<u>\$9,187,074</u>
Total	\$23,724,783



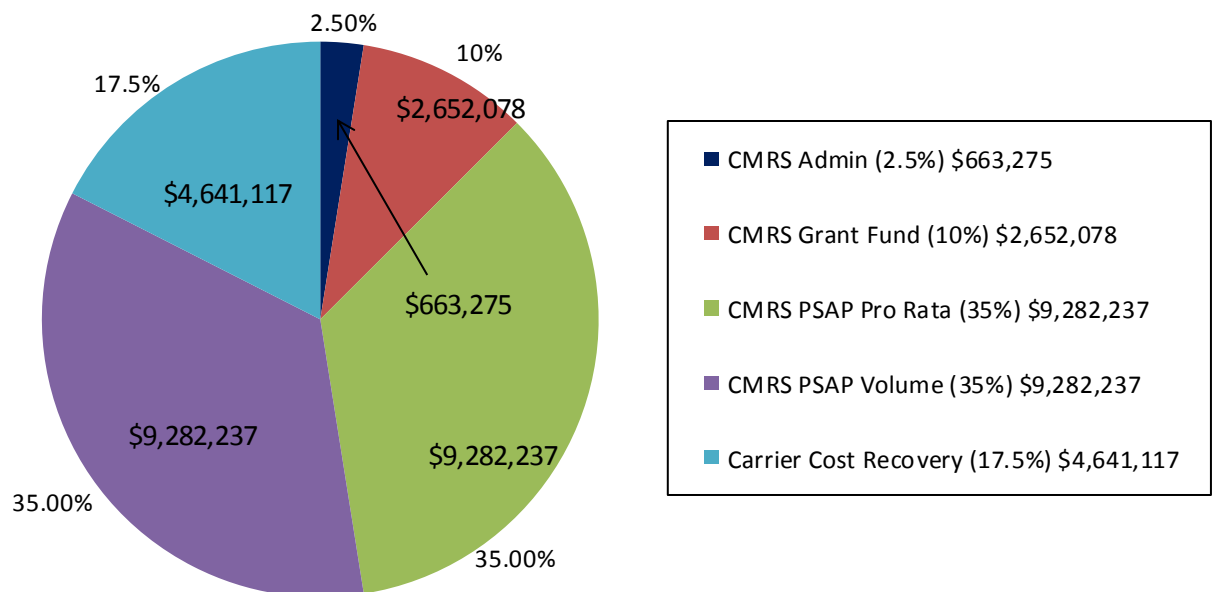
Appendix

CMRS Fund:

Collection/Disbursement of the KY CMRS 911 Service Charge

- Providers of wireless service collect the 911 service charge monthly and remit directly to the Board. The surcharge collected on postpaid devices is 70¢ per phone per month. The surcharge collected on prepaid devices averages less than 35¢ per phone per month.
- To reimburse itself for the cost of collecting and remitting the service charge, a provider may retain 1.5% of the total it collected
- All receipts are deposited into the CMRS Fund and apportioned by statute into specific accounts shown in the chart below.
- Fiscal year receipts for the CMRS fund totaled \$26,520,946 The chart shows how receipts are apportioned.

**Kentucky CMRS Wireless Surcharge Apportionment
On FY 2015 Receipts of \$26,520,946**



Appendix B—Master Grant Awards Ledger 2006-2014

2014 FINAL Grant Committee Award Rec-

Lead Applicant Agency	Title	# of TTDs	Total Award w/ Admin
Allen Co. Fiscal Court	radio system		\$ 43,913.95
Beattyville-Lee Co. 911	radio system		\$ 95,995.00
BGADD: Franklin County	CAD	4	\$ 177,921.00
BGADD: Harrodsburg PD	CAD	3	\$ 95,829.86
BGADD: Jessamine County	recorder		\$ 34,224.70
BGADD: Jessamine County	CAD	4	\$ 44,517.63
BGADD: Powell	CAD	2	\$ 98,224.30
BGADD: Woodford County	netclock, furniture, microwave		\$ 59,603.11
Boyd Co. 911/Regional Public Safety Communication Center	radio system		\$ 140,443.22
Bracken Co. 911 Board	host/remote phone system	2	\$ 70,000.00
Breckinridge Co. Fiscal Court	CAD and recorder	2	\$ 70,052.00
Calloway Co. Fiscal Court	furniture		\$ 50,000.00
Campbell Co. Consolidated Dispatch	UPS		\$ 19,738.00
Carlisle Co. Fiscal Court	CAD	2	\$ 63,246.00
Casey Co. Fiscal Court	CAD and radio system	3	\$ 194,110.00
City of Campbellsville	CAD and recorder	4	\$ 120,702.70
City of Greensburg	radio system		\$ 97,906.00
City of Lawrenceburg	CAD	2	\$ 76,142.09
City of Paintsville	CAD	3	\$ 89,755.32
City of Winchester	host/remote phone system	4	\$ 140,000.00
Clay Co E911	recorder		\$ 22,744.82
Cynthiana/Harrison Co. E-911 Board	host/remote phone system	3	\$ 105,000.00
Edmonson County Fiscal Court	host/remote phone system	2	\$ 70,000.00
Georgetown Scott Co. 911 Center	recorder		\$ 35,775.57
Greenup Co. Fiscal Court/E911 Center	CAD	3	\$ 84,850.00
Hardin Co. Fiscal Court	host/remote phone system	4	\$ 140,000.00
Henderson Police Department	recorder		\$ 22,178.00
Jackson Co. Fiscal Court	host/remote phone system	2	\$ 70,000.00
Knox Co. 911 Board	host/remote phone system	3	\$ 105,000.00
LCADD: Wolf Creek Counties	recorder		\$ 58,408.00
City of Louisville	call taking protocols		\$ 354,286.00
McCreary Co. Fiscal Court	CAD	2	\$ 67,250.00
Menifee Co. Fiscal Court	mapping hardware/software		\$ 33,726.78
MSU Dept. of Public Safety	CAD	2	\$ 80,436.44
Muhlenberg Co. Fiscal Court	admin phone system		\$ 32,500.72
Murray Police Dept.	host/remote phone system	2	\$ 70,000.00
Nelson Co. E911 Dispatch Board	CAD	4	\$ 180,500.00
Ohio Co. Sheriff's Office	radio system		\$ 38,157.50
Paris-Bourbon Co. E911	P25 "switch" in PSAP		\$ 9,569.75
Pendleton Co. Fiscal Court	CAD	3	\$ 89,217.42
Shelby Co. Fiscal Court	CAD and recorder	3	\$ 180,000.00
Webster Co. Fiscal Court	recorder		\$ 24,375.00
			\$ 3,656,300.88

Grant Awards Pending Until a Later Date

LFUCG	host/remote phone system	22	\$ 703,430.41
BGADD: Bluegrass 911	CAD	4	\$ 112,012.50
BGADD: Bluegrass 911	recorder		\$ 30,580.08

Grant Award Pending Until Additional Information is Received

LCADD: Wolf Creek Counties	CAD	14	pending
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Appendix B Master Grant Awards Ledger 2006-2014

CMRS Grant Program

Year	Recipient	Award Amount
2013	Carlisle County	\$70,000
2013	Butler County	\$70,000
2013	Rockcastle County	\$70,000
2013	Powell County	\$70,000
2013	West Liberty/ Morgan County	\$70,000
2013	Menifee County	\$70,000
2013	Whitley County	\$105,000
2013	City of Corbin	\$105,000
2013	Garrard/ Lincoln	\$140,000
2013	Taylor County	\$140,000
2013	Greenup County	\$105,000
2013	Jessamine County	\$140,000
2013	Boyd County	\$175,000
2013	Woodford County	\$105,000
2013	Bluegrass ADD	\$20,125
2013	Breckinridge County	\$70,000
2013	Adair County	\$70,000
2013	Clinton County	\$70,000
2013	Cumberland County	\$70,000
2013	Russell County	\$70,000
2013	Wayne County	\$70,000
2013	KSP #15	\$105,000
2013	KSP #11	\$105,000
2013	Marshall County	\$105,000
2013	Allen County	\$70,000
2013	Casey County	\$105,000
2013	Green County	\$70,000
2013	Lewis County	\$70,000
2013	Laurel County	\$105,000
2013	Muhlenberg County	\$140,000
2013	Paintsville/ Johnson County	\$105,000
2013	Lawrenceburg	\$70,000
2013	McCreary County	\$70,000
2013	LaRue County	\$70,000
2013	Harrodsburg	\$105,000

Year	Recipient	Award Amount
2013	Barren/ Metcalfe	\$32,165
2013	Beattyville/ Lee County	\$20,498.10
2013	Boone County	\$8,765
2013	City of Marion	\$98,750
2013	Paris/Bourbon County	\$35,162
2013	Clay County	\$89,863
2013	Fleming County	\$22,333.04
2013	Frankfort/Franklin County	\$80,555
2013	Hardin County	\$46,804.30
2013	Henderson County	\$26,275.20
2013	Perry County	\$34,662.19
2013	KRADD	\$58,404.77
2013	KSP #12	\$65,000
2013	Livingston County	\$106,876.00
2013	Magoffin County	\$13,053.75
2013	Meade County	\$18,345.13
2013	Meade County	\$26,390.26
2013	City of Murray	\$58,590.70
2013	MSU	\$22,360.07
2013	Caldwell County	\$4,635
2013	Todd County	\$99,758
2013	Washington County	\$36,000
2013	Webster County	\$84,432.06
2013	Calloway County	\$6,859
2013	Menifee County	\$82,400
2012	Elliott County	\$40,000.00
2012	Magoffin County	\$123,756.61
2012	Marion County	\$120,000.00
2012	Regional Viper Project	\$89,884
2012	Muhlenburg County	\$14,214
2011	Northern Kentucky	\$348,050
2011	Marion County	\$125,000
2010	LFUCG/ Bath County	\$175,000
2009	Carroll County Fiscal Court	\$22,580
2009	City of Campbells-ville	\$136,334

Appendix B Master Grant Awards Ledger 2006-2014

CMRS Grant Program

Year	Recipient	Award Amount
2009	City of Henderson	\$55,573
2009	City of Paintsville	\$85,173
2009	Daviess County Fiscal Court	\$31,000
2009	Daviess County Fiscal Court	\$10,334
2009	Greenup County Fiscal Court	\$6,559
2009	Hopkinsville-Christian County	\$226,621
2009	Jackson County Fiscal Court	\$34,907
2009	Menifee County Fiscal Court	\$32,055
2009	Muhlenberg County Fiscal Court	\$112,896
2009	Regional Public Safety Comm.	\$40,216
2009	Whitley County Fiscal Court	\$166,696
2008	Allen County Fiscal Court	\$17,548
2008	Bell County Fiscal Court	\$22,233
2008	Breckinridge County Fiscal Court	\$18,388
2008	City of Campbells-ville	\$35,214
2008	City of Georgetown	\$60,076
2008	City of Owensboro	\$62,065
2008	City of Prestonsburg	\$22,091
2008	Jessamine County E911	\$32,908
2008	Jessamine County E911	\$19,952
2008	KSP	\$32,788
2008	LFUCG	\$177,015
2008	Logan County Fiscal Court	\$139,173
2008	Menifee County Fiscal Court	\$68,549
2008	North Pennyryle E911 Board	\$435,912
2008	Oldham County Fiscal Court	\$146,000
2008	Pendleton County Fiscal Court	\$159,637
2007	City of Anchorage	\$15,000
2007	City of Carlisle	\$52,000
2007	City of Morehead	\$87,652

Year	Recipient	Award Amount
2007	City of Paintsville	\$45,950
2007	Cumberland Valley ADD	\$45,040
2007	Elliott County Fiscal Court	\$82,000
2007	Fleming County Fiscal Court	\$52,245
2007	Greenup County Fiscal Court	\$27,000
2007	Lake Cumberland ADD	\$88,820
2007	LFUCG	\$147,457
2007	Marshall County Fiscal Court	\$24,101
2007	Meade County Fiscal Court	\$78,475
2007	Mt. Sterling	\$66,988
2007	Pendleton County Fiscal Court	\$19,707
2007	Regional Public Safety Comm.	\$8,980
2007	Simpson County Fiscal Court	\$38,476
2007	Wolfe County Fiscal Court	\$31,710
2006	Bell County Fiscal Court	\$37,461
2006	Carlisle County Fiscal Court	\$179,969
2006	CVADD on behalf of Clay County	\$69,263
2006	Edmonson County Fiscal Court	\$130,000
2006	KY River ADD	\$284,280
2006	Lake Cumberland Area Dev.	\$350,000
2006	Magoffin County Fiscal Court	\$19,500
2006	Martin County Fiscal Court	\$199,142
2006	Reg. Public Safety Comm. Center	\$23,767
Consolidation Award	Bluegrass 911 Central Communications	\$200,000
Consolidation Award	Kenton County/City of Covington	\$200,000
Consolidation Award	City of Mayfield/Kentucky State Police	\$200,000
Consolidation Award	City of Owensboro/Daviess County	\$200,000
Consolidation Award	Hart County/ Kentucky State Police	\$200,000
Consolidation Award	Madison County/Berea	\$2,000,000

Appendix C

Local 911 Fees in Kentucky Counties (monthly wireline fee except where noted*)

Adair	2.00	Grayson	2.59	Metcalf	1.00
Allen	1.50	Green	2.00	Monroe	1.50
Anderson	1.89	Greenup	2.50	Montgomery	3.00
Ballard	1.00	Hancock	0.98	Morgan	1.00
Barren	1.00	Hardin	2.62	Muhlenberg	2.00
Bath	3.00	Harlan	1.25	Nelson	1.70
Bell	2.29	Harrison	4.00	Nicholas	0.00
Boone	2.75	Hart	1.50	Ohio	2.86
Bourbon	3.00	Henderson	2.50	Oldham Bus.	3.40
Boyd	(1)*	Henry	1.00	Oldham Res.	2.00
Boyle	0.50	Hickman	1.00	Owen	1.00
Bracken	2.50	Hopkins	0.32	Owsley	1.00
Breathitt	1.35	Jackson	3.00	Pendleton	2.50
Breckinridge	1.00	Jefferson	0.79	Perry	3.75
Bullitt	1.00	Jessamine	2.25	Pike	1.41
Butler	2.00	Johnson	1.73	Powell	4.00
Caldwell	1.50	Kenton	(4)*	Pulaski	0.00
Calloway	1.00	Knott	1.50	Robertson	0.00
Campbell	(2)*	Knox	1.25	Rockcastle	2.00
Carlisle	3.00	Larue	2.75	Rowan	1.25
Carroll	1.25	Laurel	2.50	Russell	0.00
Carter	1.72	Lawrence	1.95	Scott	0.50
Casey	1.75	Lee	1.07	Shelby	1.99
Christian	0.75	Leslie	1.50	Simpson	2.00
Clark	3.00	Letcher	1.25	Spencer	1.84
Clay	4.00	Lewis	3.50	Taylor	1.00
Clinton	2.50	Lincoln	4.00 (3)*	Todd	2.50
Crittenden	1.00	Livingston	0.60	Trigg	1.25
Cumberland	4.00	Logan	2.00	Trimble	1.50
Daviess	1.25	Lyon	0.60	Union	0.60
Edmonson	2.00	Madison	3.50	Warren	0.68
Elliott	4.50	Magoffin	4.00	Washington	1.00
Estill	3.00	Marion	0.00	Wayne	0.00
Fayette	2.83	Marshall Bus.	2.50	Webster	2.00
Fleming	4.00	Marshall Res.	1.50	Whitley	2.00
Floyd/P-burg Business	1.99	Martin	1.00	Wolfe	(5)*
Floyd/P-burg Residential	0.99	Mason	1.70	Woodford	3.50
Franklin	1.00	McCracken	1.50	1) 17% of base telephone rate 2) \$45 annually per occupied bus/res 3) 25¢ collected on monthly water bill plus landline fee 4) \$60 annually per real estate parcel 5) 3% of property tax	
Fulton	1.00	McCreary	2.65		
Gallatin	2.00	McLean	2.25		
Garrard	4.00 (3)*	Meade	1.00		
Grant	2.00	Menifee	2.00		
Graves	1.00	Mercer	0.80		

Appendix D

CMRS Board Account Activity Summary—Fiscal Year 2015

		FY '15 Year to Date Provider GPRVD0 6376
Beginning Balance	\$	1,881,482.98
Carrier Deposits	\$	4,641,117.63
Other Deposits	\$	-
Interest Deposits	\$	4,139.93
Disbursements	\$	(1,424,874.40)
Adjustments	\$	-
Ending Balance	\$	<u>5,101,866.14</u>
		Pro Rata GPPRO0 6375
Beginning Balance	\$	2,229,575.69
Carrier Deposits	\$	9,282,237.82
Other Deposits	\$	-
Interest Deposits	\$	8,279.90
Disbursements	\$	(9,209,610.95)
Adjustments	\$	-
Ending Balance	\$	<u>2,310,482.46</u>
		Volume GPVOL0 6377
Beginning Balance	\$	2,262,575.79
Carrier Deposits	\$	9,282,237.82
Other Deposits	\$	-
Interest Deposits	\$	8,279.90
Disbursements	\$	(9,187,074.28)
Adjustments	\$	-
Ending Balance	\$	<u>2,366,019.23</u>
		Administrative GCMRS 1322
Beginning Balance	\$	1,326,977.74
Carrier Deposits	\$	663,275.17
Other Deposits	\$	1,077.50
Interest Deposits	\$	591.41
Disbursements	\$	(528,136.28)
Adjustments	\$	-
Ending Balance	\$	<u>1,463,785.54</u>
		Interest GCMRI 6374
Beginning Balance	\$	3,230.01
Carrier Deposits	\$	-
Other Deposits	\$	-
Interest Deposits	\$	18,707.61
Transfers	\$	(23,656.80)
Adjustments	\$	1,719.19
Ending Balance	\$	<u>0.01</u>
		Grant Fund GGRNT0 630C
Beginning Balance	\$	\$8,477,790.07
Carrier Deposits	\$	2,652,078.15
Other Deposits	\$	324.00
Interest Deposits	\$	2,365.66
Disbursements	\$	(3,375,089.36)
Adjustments	\$	-
Ending Balance	\$	<u>7,757,468.52</u>
Total Fund Balance	\$	<u>11,242,153.38</u>
YTD Carrier Collections	\$	26,520,946.59
YTD Other Collections	\$	1,401.50
YTD Interest Posted	\$	23,656.80
Adjustments	\$	1,719.19
YTD Total Collected	\$	<u>26,547,724.08</u>

Appendix E

CMRS Administrative Fund Revenue/Expense Statement FY 2015

	Fiscal YTD 12 months ended 06/30/14	FY2015 CMRS Admin Budg- et
REVENUE		
Carrier Receipts	\$ 638,657.33	
Interest Posted	\$ 362.98	
Tracfone Settlement		
Adjustments	<u>\$ 32.38</u>	
Total Income	<u>\$ 639,052.69</u>	
EXPENSES		
CMRS Direct Staff Expenses		
Staff Salaries/Fringe	\$ 259,704.68	\$ 264,100.00
Unemployment Compensation	\$ -	
Workers Compensation	\$ 576.27	\$ 400.00
Personnel Board Assessment	\$ 67.71	\$ 200.00
Security Guards	\$ -	\$ -
CMRS Administrative Expenses		
Employee Training	\$ 204.35	\$ 2,000.00
Prison Labor	\$ -	
Postage	\$ 90.24	\$ 250.00
Printing	\$ -	\$ 100.00
Utilities	\$ 8,174.93	\$ 9,000.00
Rent	\$ 14,535.56	\$ 15,500.00
COT/Telephone/Conf bridge/Wireless	\$ 6,349.93	\$ 6,900.00
Computer Equipment	\$ 703.94	\$ 1,000.00
kentucky.gov services	\$ 882.00	
Office Supplies etc.	\$ 3,419.14	\$ 2,500.00
Copy Machine Supplies/rental	\$ 3,659.42	\$ 4,300.00
Dues/Subscriptions	\$ 1,625.00	\$ 800.00
Furniture/Office Equip	\$ 1,448.33	\$ 500.00
Travel Employee	\$ 12,403.84	\$ 13,000.00
Carpool	\$ 4,169.92	\$ 3,500.00
Administrative Charges from KOHS	\$ -	
Exhibitor Premiums	\$ -	
Other	\$ 6,062.00	
CMRS Board Expenses		
Liability Insurance	\$ 22,316.26	\$ 25,000.00
Food	\$ 992.12	\$ 1,250.00
Travel Non-Employee	\$ 15,461.00	\$ 15,000.00
CMRS Administrative Personal Service Contracts		
Legal	\$ 102,225.46	\$ 125,000.00
Centerline Mapping Project	\$ -	\$ -
Financial Audit	\$ 48,621.78	\$ 98,469.00
Geo-Audit	\$ 7,453.65	\$ 22,643.71
Bluegrass ADD		
RCC Consultants		
Total Expenses	<u>\$ 511,767.58</u>	<u>\$ 611,412.71</u>
<i>Net Increase (Decrease)</i>	<u>\$ 127,285.11</u>	

